

CORRECTED FISCAL MEMORANDUM

SB 1269 – HB 1883

April 7, 2008

SUMMARY OF AMENDMENT (016112): Establishes a mandatory outpatient mental health treatment pilot program in Knox, Blount and Anderson counties.

FISCAL IMPACT OF ORIGINAL BILL:

Increase State Expenditures – Exceeds \$1,000,000

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

On April 1, 2008, we issued a corrected fiscal memorandum indicating *an increase in state expenditures exceeding \$3,000,000 in FY08-09 thru FY09-10*. Based on information provided by the Department of Mental Health and Developmental Disabilities, the fiscal impact of this bill is as follows:

(CORRECTED)

**Increase State Expenditures – \$3,877,600/FY08-09
\$3,127,600/FY09-10**

Assumptions applied to amendment:

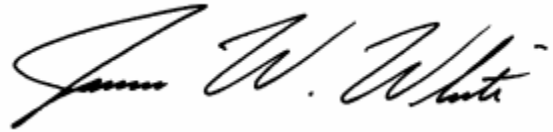
- The pilot project will commence on July 1, 2008 and be in effect until June 30, 2010 and may be extended.
- At a maximum, there will be 100 individuals treated through the pilot project at any given time for mandatory outpatient treatment who are either severely or persistently mentally ill (SPMI) or have co-occurring substance abuse disorders with the intent of diversion from the criminal justice system.
- The Department of Mental Health and Developmental Disabilities estimates that there will be an increase in expenditures of \$3,877,600 in FY08-09 and \$3,127,600 in FY09-10.
- The \$3,877,600 in FY08-09 includes a one-time establishment of the crisis stabilization unit (\$750,000), treatment at the crisis stabilization unit (\$1,278,400), assertive community treatment (\$1,050,000), detox treatment (\$26,400), managed care of individuals (\$625,000), and pharmacy (\$147,800).

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- The \$3,127,600 in FY09-10 includes treatment at the crisis stabilization unit (\$1,278,400), assertive community treatment (\$1,050,000), detox treatment (\$26,400), managed care of individuals (\$625,000), and pharmacy (\$147,800).
- The individuals treated in the program will not be eligible for any other form of reimbursement. The cost for treatment will be borne by the state.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James W. White". The signature is fluid and cursive, with the first name "James" and last name "White" clearly legible.

James W. White, Executive Director

/kml